

potential for a nuclear arms race by Islamic nations in South Asia and the Middle East. Indeed, if that does occur, if Iran does join the nuclear club, Israel will certainly react.

So the point I am making is I think the President can use my initiative not just to solve one of our foreign policy problems as it relates to Pakistan. He can use it to show our continued friendship with Taiwan. Taiwan is a democracy and a growing economic power in the Pacific. Taiwan usually is on our side 100 percent, even though we do not treat its leaders that way when they come here. Our relationship with Taiwan is one of the ironies of history.

My initiative sends a signal to the Chinese that we are going to be tough in that region and we will look after our allies, and that includes the Philippines, which would also get eleven of the F-16's under my initiative.

As I said earlier, my initiative is a bold step, but it is a partial solution. It is a step forward. I am glad that President Clinton has apparently begun to embrace this concept, to explore with these countries to see if we can get the F-16's out to Taiwan and the Philippines. Again, it is an initiative that can get some money back to Pakistan, although I would not necessarily guarantee full compensation because frankly, Pakistan had their eyes open when they went into this deal. Further, the Government of Pakistan was not being candid with the President of the United States at that time about what was going on in their nuclear program.

Mr. PRESSLER. Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDICARE

Mr. PRESSLER. Mr. President, I would like to speak on the subject of Medicare.

There has been much unjustified criticism of the Republican budget plan by the Democrats. As my colleagues know, we will be voting in this Chamber possibly tomorrow night on the budget of the United States for the next 7 years, the basic outline. And for the first time in nearly three decades, we are moving toward a balanced budget by the year 2002. I am proud of this great achievement.

This is the toughest budget since I have been a Member of Congress. It is tough, it is sound and it is right. If we can pass it in the House and in the Senate, it will be the first time in a long time that we have gone in the other direction—the right direction. Finally we will start to pay our bills as they become due.

Up to this point, we have been going in the wrong direction—of runaway spending and the build up of a huge Federal debt.

Included in the budget plan are reductions in the rate of growth in Medicare. I want all senior citizens to understand this budget. I am a champion of senior citizens. My mother is a senior citizen living in Sioux Falls. In fact, I will be one someday in the not too far future. So I am concerned about this subject. My goal is to save Medicare for our seniors. This budget saves Medicare. This budget will provide senior citizens with stability.

The present rate of increase of Medicare is about 10 percent a year. It is growing too fast, and if left alone, it will go bankrupt by the year 2002. This budget slows the rate of increase to about 7.2 percent. Thus, Medicare is still going to grow, but it is not going to grow quite as fast. We are slowing the growth to save the program from overheating and breaking down altogether.

How do we get the savings? It comes from streamlining some of the national administration. It comes from certain cost control reforms, and so forth.

Americans should not be misled about what we are doing here. Both Democrats and Republicans agree that Medicare is going to go bankrupt unless somebody steps forward with a plan to save it. So I would say to my liberal friends, what is your plan? The Republicans have a solvent plan. The Domenici-Dole plan in the Senate will save Medicare. We have to save Medicare.

Let me say a word or two about some of the other areas. This budget takes an across-the-board approach. I know every group that has a stake in the Federal budget will feel it. But I would say to farmers, ranchers, small businessmen, students, and others, that lower interest rates are one of your main concerns. Students, for example, pay back their loans at the going rate of interest after they have graduated from college. To the students of America, I say that one of the greatest threats to your economic security is, the massive Federal debt. That debt keeps interest rates high, forcing students to pay their college loans back at high interest rates. We are going to have high interest rates if we do not do something about the size of our deficit.

A third area of concern here is inflation and the soundness of our monetary system internationally. If we continue to build up the huge Federal debt, we also will be building up the specter of high inflation, high interest rates, and a currency that is not respected in the world, a currency that is weak, and a currency that will eventually be overtaken by the German mark or the Japanese yen.

So, Mr. President, as we engage in this debate on the budget for the next 2 days and as we vote on it here in the Senate tomorrow evening, let us remember that we are trying to save

Medicare. We are trying to save our economy for our children—an economy with lower interest rates, a solvent dollar, and low taxes.

We are going to have many eloquent speeches in this Chamber about how the Federal Government is taking away money from here and taking away money from there. But if the Federal Government does not have any money to give, it ultimately has to take that money back either through inflation, high interest rates, and higher taxes, which will lead to all types of economic suffering.

So in conclusion, Mr. President, my concern here is to explain why I will be voting for the Dole-Domenici approach. I urge my colleagues to vote for it. We will have to fight off false charges that we are against senior citizens or that we are against farmers or we are against workers. That is not true. We are for them. This is an historic budget plan for all Americans. Everyone agrees the alternative is bankruptcy, the loss of the Medicare Program, and economic chaos. We are going to save our budget. We are going to save Medicare. We are going to save our economy. We are going to save our children's future.

I urge my colleagues to join us in voting for the Dole-Domenici budget.

Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BIDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ASHCROFT). Without objection, it is so ordered.

Mr. BIDEN. Parliamentary inquiry, Mr. President.

Are we in morning business?

The PRESIDING OFFICER. We are. The Senator can speak for up to 10 minutes under the previous order.

Mr. BIDEN. I thank the Chair. I seek recognition for the purpose of speaking on the issue of the arms embargo in Bosnia.

The PRESIDING OFFICER. The Senator is recognized.

LIFTING THE BOSNIAN ARMS EMBARGO

Mr. BIDEN. Mr. President, I rise today to argue again for lifting the illegal and what I believe to be immoral arms embargo against the Government of Bosnia and Herzegovina. Actually, Mr. President, we should not even be in a position today of having to lift an embargo. In April 1992, when the Republic of Bosnia and Herzegovina was recognized internationally and granted admission to the United Nations, it automatically became covered by article 51 of the U.N. Charter, which grants every State the elemental right of self-defense.

Inexplicably, however, the Bush administration was asleep at the switch